

July 7, 2020

BY ELECTRONIC MAIL

Luly E. Massaro, Commission Clerk
Rhode Island Public Utilities Commission
89 Jefferson Boulevard
Warwick, RI 02888

**RE: Docket 5022 - Suspension of Service Terminations and Certain Collections Activities
During the COVID-19 Emergency
National Grid's Comments and Responses to Request for Information**

Dear Ms. Massaro:

On behalf of National Grid,¹ I have enclosed the Company's responses to the Public Utilities Commission's Request for public comments in the above-referenced matter.

Thank you for your attention to this filing. If you have any questions, please contact me at 781-907-2121.

Sincerely,



Raquel J. Webster

cc: Docket 5022 Service List
Jon Hagopian, Esq.
John Bell, Division
Linda George, Division

¹ The Narragansett Electric Company d/b/a National Grid (National Grid or the Company).

STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION

IN RE: SUSPENSION OF SERVICE TERMINATIONS AND CERTAIN COLLECTIONS ACTIVITIES DURING THE COVID-19 EMERGENCY	RIPUC Docket No. 5022
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**NATIONAL GRID'S RESPONSES TO THE RHODE ISLAND
PUBLIC UTILITIES COMMISSION'S REQUEST FOR INFORMATION**

National Grid¹ submits these responses to the Rhode Island Public Utilities Commission's (PUC) request for public comments in the above-referenced proceeding regarding the suspension of service terminations and certain collections activities during the COVID-19 pandemic (Pandemic). National Grid has also provided additional background information that may be useful to the PUC as it makes future decisions in this docket. Specifically, section I includes the Company's responses to the PUC's request for public comment in this docket and section II includes a summary of the Company's progress with its COVID-19 Emergency Bill Payment & Customer Assistance Program Plan (Plan), which the Company filed with the PUC on May 15, 2020. The Company appreciates the opportunity to submit these comments and looks forward to continued work with the Division, PUC, and other stakeholders to address the ongoing challenges presented by the COVID-19 Pandemic (Pandemic).

I. RESPONSES TO PUC'S REQUEST FOR PUBLIC INFORMATION

National Grid responds to the PUC's questions as follows:

¹ The Narragansett Electric Company d/b/a National Grid (National Grid or the Company).

Question 1: Whether a moratorium on service terminations should continue for all categories of customers (non-residential, standard customers, protected customers).

The PUC has previously acknowledged that customers who are not paying their bills have growing balances that may be impossible to pay off immediately if and when such customers return to work. *See* Docket 5022, Order No. 23826 dated May 8, 2020 (Order No. 23826) at p. 3. For this reason, the PUC has encouraged all customers with the means to pay some or all of their current balances to do so to avoid further financial strain. *See id.*

National Grid agrees with the PUC that it is important for customers to pay some or all of their balances if it is within their means. As the PUC has also recognized, this will not only assist customers in the long run, but it will also help utilities maintain the financial health necessary for them to continue providing safe and reliable service to customers. For these reasons, National Grid believes that it would be helpful for the Company and customers to have certainty regarding when the Company can resume termination of service. As reflected in the data the Company has provided to the PUC over the past few months, arrears continue to rise, which also results in increasing bad debt for the Company. The Company believes that one possible path forward is to lift the moratorium on collections for all customers except low income customers in September 2020 and protect low-income customers from termination for a slightly longer period of time. In its last Order in this docket, the PUC noted that, “[g]oing forward, the PUC will be exploring ways to phase in full collections activities while ensuring the utilities are working to assist customers in meeting their financial obligations as the Governor reopens the economy.” *See* Order

No. 23826 at p. 3. Through its four-phase COVID-19 Emergency Bill Payment & Customer Assistance Program Plan, the Company is well-equipped to help all customers find the resources they need to pay their bills, whether in full or through any number of payment assistance programs. Please see the Company's Plan, filed on May 15, 2020 in this docket. In addition, please see Section II below for a description of the Company's progress with the Plan to date.

Question 2: Whether there should be a lifting of the moratorium for a category of customer.

As noted above, one possible path forward would be to lift the moratorium for all customers (except low-income customers) in September 2020. The PUC could protect low-income customers from termination of service for a longer period of time. In addition, the Company recognizes that it might take longer for residential customers who have been impacted by COVID-19 to recover than commercial or industrial customers who are now once again open for business. However, as arrears grow, it will continue to be more challenging for customers who fall behind to catch up so certainty on when the moratorium will be lifted would provide some motivation for customers to enter into payment plans as a means to catch up on past due amounts.

Question 3: The appropriate duration of any extension of a moratorium on service terminations.

Please see the Company's responses to Question 1 and Question 2 above.

**II. SUMMARY OF THE COMPANY'S PROGRESS WITH THE PLAN TO DATE
(RESULTS, INSIGHTS, AND CUSTOMER SENTIMENT)**

The Company is continuing its four-phased approach to resuming cash collections. For a detailed description of the four phases, please see the Company's Plan, which the Company filed with the PUC on May 15, 2020. Based on the PUC's May 28, 2020 Open Meeting decision in Docket 5022, the Company has transitioned from Phase 0 to Phase 1 for all customer segments. Phase 1 is focused on payment assistance and reminders only; the Company's objective is to resume sending past due notifications to customers and educate them on flexible payment solutions.

The Company developed a phased rollout strategy for transitioning from Phase 0 to Phase 1 with the following objectives in mind:

- Reassure customers that the Company is here to help
- Remind customers that the Company offers payment assistance programs
- Reach out to customers who have missed payments, both regularly in arrears and first time in arrears
- Understand customer payment behavior based on segment to better target outreach

The rollout strategy defined the customer population, outreach mechanism, and timing for incrementally contacting subsegments of residential and commercial customers who were regularly in arrears and first time in arrears. Through this incremental model, the Company

was able to collect customer feedback from the initial target groups, learn, and refine messaging for subsequent target groups.

The Company initiated Phase 1 with outbound calls to the first group of residential customers on June 6, 2020 and the first group of commercial customers on June 12, 2020.

The Company monitored customer sentiment and measured payment response to gauge success of the Phase 1 efforts.

Phase 1 assistance and reminder outbound calling targeted 196,700 residential and 14,900 commercial customers. In the commercial segment, outreach efforts focused on small business customers with approximately 4,500 customers contacted via outbound call.

Those phone calls focused on communicating assistance options and resources to customers and providing customers with an opportunity to enroll in deferred payment arrangements. For those small business customers not directly contacted by phone, the Company followed-up with an email to notify customers of available assistance programs and payment options. As of June 22, 2020, the Company observed the following results for its Phase 1 outbound calling efforts to these small business customers:

- Several hundred customers enrolled in payment programs
- Approximately 1300 customers made payments to reduce or eliminate their arrears balances; arrears were reduced by over \$600,000 in total

In the residential segment, the Company initiated an automated outbound calling campaign to notify those customers at least 60 days in arrears of available assistance programs and

payment options. This outbound calling campaign enabled customers to connect directly to an agent for immediate assistance. As of June 26, 2020, the Company has made direct contact with approximately 41,400 of the 62,800 residential customers contacted since the start of Phase 1. The Company observed the following results for associated with these efforts:

- Approximately 400 customers enrolled in payment programs
- Customers contacted paid a total of over \$750,000

With the success of the Company's Phase 0 efforts, there is a limited population of low balance arrears customers eligible for Phase 1 outreach, making it more difficult to drive payment activity.

The Company has been capturing customer sentiment specifically as it relates to COVID-19 since early April 2020. Customers have reported an increase in the Company's key customer perception metrics, Trust Advice and Customer Ease, which compares to what the Company has seen across its footprint. These increases have held steady through mid-June 2020.

Over 80% of residential customers note that their current top concerns are investments and savings for the future, ability of the government to function effectively and maintain public order, family's physical health, and stress levels. Over 40% of Rhode Island residential customers report they are concerned about paying their bill. As of mid-June 2020, half of residential customers are aware of the Company's response to the pandemic, with email

and local media playing the most important roles in messaging. Over 80% of customers are confident that the Company will continue to service its customers by providing safe and reliable energy during the COVID-19 pandemic.

According to the Company's new Business Customer Council, most commercial customers indicate they are loyal to the Company. On a scale of 1-10, commercial customers provided an average rating of 7.72 on likelihood to recommend the Company to other businesses in the area compared to the total service footprint average of 7.77. For commercial customers, where the Company has measured sentiment across the Rhode Island, Massachusetts, and New York regions, there has been an increase in customer perception. Since April 2020, there has been a consistent decline in customers indicating that their business has been significantly impacted by COVID-19, with 44% reporting a significant impact in mid-June 2020. Similar to residential customers, 40% of commercial customers are concerned about paying their bill.

As the Company proceeds with its Phase 1 outreach activities, it will continue monitoring customer sentiment to ensure effective messaging of payment reminders and payment assistance, including awareness of financing options for those in need.

Looking ahead to Phase 2 (Timelines and Challenges)

Prior to resuming targeted collection activities in Phase 2, National Grid proposes to notify customers in advance of the Company's intent to resume disconnections. In accordance

with PUC guidance, the Company removed all references to the disconnect process in its Phase 0 and Phase 1 outreach activities. To ensure that customers receive adequate messaging prior to receiving their first disconnect notice, the Company will inform customers about future terminations as part of our final phase 1 communications plan.

Respectfully submitted,

**The Narragansett Electric Company
d/b/a National Grid**

By its Attorneys,



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